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NORASIA/GSL ROUND THE WORLD SERVICE AGREEMENT

FMC NUMBER: 011867

CLASSIFICATION: A Cooperative Working Agreement

EXPIRATION DATE: Not Applicable

DATE LAST REPUBLISHED: Not Applicable

EFFECTIVE
FEB - 4 2004
UNDER THE SHIPPING ACT OF 1984
Federal Maritime Commission

ARTICLE 1: FULL NAME OF THE AGREEMENT

The full name of this Agreement is the NORASIA/GSL Round the World Service Agreement ("Agreement").

ARTICLE 2: PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to permit the Parties, through space exchange, to achieve efficiencies and economies in their respective services offered in the Trade (as hereinafter defined) covered by the Agreement, all to the benefit of the Parties and the shipping public.

ARTICLE 3: PARTIES TO THE AGREEMENT

The Parties to the Agreement (hereinafter "Party" or "Parties") are:

1. Norasia Container Lines Limited
   18/2, South Street
   Valletta, Malta
   (hereinafter referred to as "NORASIA")

2. Gold Star Line Ltd.
   138 Gloucester Road
   14/f Allied Kajima Bldg.
   G.P.O. 11716
   Wanchay, Hong Kong
   (hereinafter referred to as "GSL")

References to the "Parties" in the plural form also include the singular.

ARTICLE 4: GEOGRAPHIC SCOPE OF THE AGREEMENT

The geographic scope of this Agreement shall cover the trade between United States Atlantic and Pacific Coast ports (in the ranges from Key West, Florida, to Eastport, Maine, and San Diego, California to Seattle, Washington, inclusive) and U.S. inland and coastal points served via such ports, on the one hand, and ports in Northern Europe (the latitudes from Bayonne, France to North Cape, Norway, including the United Kingdom), Asia (Japan, Korea, People's Republic of China, Taiwan, Hong Kong, Macao, Thailand, Cambodia, Vietnam, Singapore, Malaysia, Laos, Myanmar, Brunei, Philippines, Indonesia, India, Pakistan, Bangladesh and Sri Lanka), Egypt, Dubai and Jamaica,, and inland and coastal points served via such ports, on the other hand and vice versa. Hereinafter, such geographic scope shall be referred to as the "Trade."

ARTICLE 5: Authority

A. SLOT EXCHANGE

a. The Parties are authorized to exchange space on their respective vessels in their service in the Trade. Initially, the Parties will be deploying 12 vessels with a capacity of approximately 2,600 TEUs each, at an average weight of 12 G.W.T. per TEU each, and with a minimum service speed of 20 knots, in the service to and from the U.S. ports. NORASIA initially shall deploy 9 vessels, and GSL initially shall deploy 3 vessels. The number of vessels deployed in the service or the number of vessels deployed by NORASIA and GSL, may vary subject to mutual agreement of the Parties; provided, however, that without further amendment to this Agreement, the total number of vessels deployed shall not exceed eighteen (18) and the capacity of the vessels operated hereunder shall not exceed 5,000 TEUs. The Parties currently intend, conditions permitting, to upgrade the vessel size, around 2005-06, with practical capacity of approximately 4000TEU, at an average of 12 G.W.T. tonnes per TEU. The Parties may agree on the number of slots and/or space to be exchanged and the compensation for such transportation. Initially NORASIA will be allocated approximately 75% per cent, and GSL will be allocated approximately 25% per cent of each vessel's agreed capacity. In addition, the Parties may consult and agree on the terms and conditions relating to the allocation and use of any slots on the vessels in excess of the vessels' agreed capacity. The Parties may

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also exchange slots within their allocations to one another on such terms as may be agreed from time to time. Each Party shall receive on each vessel, an allocation of reefer plugs, high cubes and 45' space, or a minimum amount of 20' capacity or a maximum amount of 40' capacity, on which the Parties may agree from time to time.

b. The Parties may slot charter or sub-charter to any third carrier any slots, the use of which has been granted on another Party's vessel, under this Agreement, with prior written approval of the other Parties, which shall not be unreasonably withheld. Consent is hereby granted for Norasia to sub-charter slots to any of its affiliates with at least 50% common ownership, China Shipping Container Lines Co. Ltd., Hyundai Merchant Marine Co. Ltd., and Mitsui O.S.K. Lines Limited, subject to appropriate agreement authority for any such sub-charters.

c. Each of the Parties may slot charter or sub-charter to any third carrier any slots within its own allocation on vessels it provides under this Agreement, provided that any applicable regulatory requirements have been met.

d. The Parties may use space chartered under this Agreement regardless of the origin or destination of the cargo, including transshipment of cargo to or from an origin or destination which is within or outside the scope of this Agreement, whether under a through bill of lading or otherwise, using space chartered hereunder for part of the through movement involved.

e. Norasia shall establish a long-term schedule covering the operation of the vessels for a period of 180 days, by agreement with the other Parties. If the Parties are unable to agree on any schedule matters, then such matters shall be finally determined by NORASIA. NORASIA shall coordinate such schedule during the term of this Agreement. The long-term schedule may be revised or adjusted as required.

f. Any Party may substitute a vessel or vessels provided that: (1) its classification, speed, technical compatibility, capacity and any other relevant data comply with the required minimum characteristics; and (2) the total number of vessels in the service remains unchanged, and the service and sailing schedule remains unchanged. Any substitution not complying with the above requirements shall be subject to the written agreement of the Parties. So far as practicable a Party shall give 30 days' written notice of substitution to the other Parties. Unless otherwise agreed, or unless substitution of a vessel is due to reasons of force majeure, all additional costs including but not limited to transshipment and feeder expenses due to substitution of a vessel by a Party shall be for the account of the Party substituting the vessel.

g. From time to time the Parties will agree on sailing schedules for the service based on a pro-forma schedule covering the voyage rotation of 84 days. Each Party shall maintain the sailing schedule and shall use maximum efforts to remedy any failure to comply in accordance with the decisions taken by the Parties as per such terms that the Parties may agree upon from time to time. Any permanent addition or deletion of ports of call or change in the rotation of ports of call shall be made by mutual agreement of the Parties.

B. Efficient Use of Equipment, Terminals, Stevedores, Ports and Suppliers

The Parties may interchange empty containers, chassis and/or related equipment to provide for the efficient use of such equipment on such terms as they may agree. The Parties may also jointly contract with or coordinate in contracting with stevedores, terminals, ports and suppliers of equipment, land or services or may designate one of the Parties hereto to provide such services on the Parties' behalf. This Agreement does not authorize joint operation of a marine terminal by the Parties in the United States.

The Parties shall use their best efforts to agree upon common terminals, failing which the vessels operated under this Agreement shall use NORASIA's terminals in the ports where no agreement has been reached. Each party shall retain its own agents in all ports.

The Parties shall arrange for common stevedoring and terminal services for all containers and cargo carried under the terms of this Agreement. Each Party shall pay and be responsible for payment of all costs and expenses associated with the cargo and containers owned, hired sub-chartered in, sub-chartered out to a non-party or operated by it, including, without prejudice to the generality of the foregoing, stevedoring, lashing (unless performed by vessel's crew) terminal expenses, wharfage, port and labor assessments (such as, any royalty, pension or trust fund

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payments) and other charges directly attributable to the particular cargo or containers.

These expenses shall be in principle invoiced directly by the stevedoring or terminal operator to each Party, and if applicable, to its non-party sub-charterer. If direct invoicing is not practical, the Parties shall put the invoiced Party not responsible for such costs, expenses or charges in funds or otherwise keep it from using its own funds for those invoices. The costs of services shall be passed through, by the invoiced Party, directly as billed (unless performed by the vessel's crew) without mark-up or commission. The Parties may agree from time to time that one Party will act as agent for the other in contracting for such services.

Each Party shall in its stevedoring and terminal contracts attempt to obtain waivers of maritime liens against vessels provided by another Party (hereinafter "Owner") resulting from provision of services to other Parties (hereinafter "Charterer") or to sub-charterers on such vessels for which the Charterer is directly liable. If any Charterer fails to provide adequate bail or security when required to do so in respect of any maritime lien, possessory lien or statutory right in rem which may be acquired over an Owner's vessel due to an obligation of the Charterer or its sub-charterers, in order to prevent the vessel being arrested, impounded or seized or if any such lien, right or claim over the vessel is exercised by the arrest, attachment, detention, impounding or seizure of the vessel under any distress, execution or other process, or any distress or execution is levied thereon, and the Charterer ("Defaulting Line") fails promptly to procure the release of the vessel therefrom, then the Defaulting Line shall be liable to the other affected Parties for any and all loss, damage, claims, expense (including reasonable out of pocket attorney fees) and the affected Parties may refuse to carry the Defaulting Line's cargo until all related liabilities of the Defaulting Line have been satisfied to the affected Parties' satisfaction.

C. Transshipment

The Parties may discuss and agree between themselves and with carriers operating feeder vessels which do not call U.S. ports on all matters relating to the transshipment and carriage on such feeder vessels of cargo moving under this Agreement which has a prior or subsequent movement between a port in the Trade and a foreign port wherever located, and on any transshipment arrangements and costs thereof that may be required in connection with the phasing-in and/or phasing-out of a vessel operated hereunder.

D. Miscellaneous

The Parties may discuss and agree upon such general and routine administrative matters and other terms and conditions concerning the implementation of this Agreement as may be necessary or convenient from time to time, including, but not limited to, changes in ownership, performance procedures and penalties, procedures for allocating space, forecasting, terminal operations, stowage planning, schedule adjustments, record-keeping, responsibility for loss or damage, the terms and conditions for force majeure relief, insurance, liabilities, claims, indemnification, consequences for delays, port omissions, documentation and treatment of hazardous and dangerous cargoes.

E. Further Agreements

Pursuant to 46 C.F.R. §535.407, any further agreements contemplated herein cannot go into effect unless filed and effective under the Shipping Act of 1984, as amended, except to the extent that such agreement concerns routine operational or administrative matters.

F. Implementation

The Parties shall collectively implement this Agreement by meetings, writings, or other communications between them and make such other arrangements as may be necessary or appropriate to effectuate the purposes and provisions of this Agreement.

ARTICLE 6: AGREEMENT OFFICIALS AND DELEGATIONS OF AUTHORITY

The following are authorized to subscribe to and file this Agreement and any accompanying materials and any subsequent modifications to this Agreement with the Federal Maritime Commission:

(i) Any authorized officer of each of the Parties; and

(ii) Legal counsel for each of the Parties.

ARTICLE 7: MEMBERSHIP

Membership is limited to the Parties hereto except that additional carriers offering regular service in the Trade may be admitted by unanimous agreement of the Parties and by amendment of the Agreement pursuant to the Shipping Act of 1984, as amended.

ARTICLE 8: VOTING

All actions taken pursuant to this Agreement shall require unanimous agreement of the Parties, except as provided herein.

ARTICLE 9: DURATION AND TERMINATION OF AGREEMENT

This Agreement shall take effect the later of February 4, 2004, or the date it becomes effective under the Shipping Act of 1984 as amended. This Agreement shall remain in effect for a minimum period of eighteen months after it becomes effective. Thereafter it will be perpetually valid unless it shall be terminated earlier by unanimous agreement, or, if there are only two Parties, by either Party giving not less than 6 months written termination notice to the other Party. The Federal Maritime Commission shall be promptly notified in writing if this Agreement will be terminated.

B. Any Party may resign from this Agreement upon not less than six (6) months' prior written notice to the other Parties; provided, however, that such notice shall not be given during the first twelve (12) months after the effective date of this Agreement.

C. Notwithstanding Articles 9(A) and 9(B) above, if at any time during the course of this Agreement any Party ("the affected Party") is either (i) dissolved or becomes insolvent or fails to pay its debts as they become due or (ii) makes a general assignment, arrangement or composition with or for the benefit of its creditors or (iii) has a winding up order made against it or enters into liquidation whether voluntarily or compulsorily or (iv) seeks or becomes subject to the appointment of an administrator, receiver, trustee, custodian or other similar official for the whole or a substantial part of its assets or business, or (v) is affected by any similar event or act under the applicable laws either of the jurisdiction in which it is

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formally organised or in any other jurisdiction in which it carries on business or (vi) any such event or act has an analogous effect in any other jurisdiction or (vii) if such affected Party takes any action in furtherance of any of the foregoing acts or events (other than for the purposes of a consolidation, reconstruction or amalgamation previously approved in writing by the other parties) and any of the other Parties is of the reasonable opinion that such event or occurrence is or may be materially detrimental to this Agreement, or that sums due under this Agreement (other than those disputed in good faith) may not be paid in full or that their payment may be significantly delayed, then such other Party(ies) may give notice to the affected Party of resignation from this Agreement with immediate effect or suspending this Agreement or any part thereof for such period as such other Party(ies) in its/their reasonable discretion deems appropriate, but without prejudice to any accrued rights and obligations hereunder.

D. Notwithstanding Articles 9(A) and 9(B) above, in the case of a material breach of this Agreement by any Party, the breaching Party shall correct that breach within thirty (30) days from the date of written notice (specifying such breach or failure of performance) sent by the other Party(ies). In the event that the breach is not corrected, the other Party(ies) shall have the right to resign from this Agreement effective thirty (30) days from the date notice of such breach was given.

ARTICLE 10: NON-ASSIGNMENT

No Party shall assign all or any part of its rights or delegate all or any part of its obligations under this Agreement to any other person or entity without the prior written consent of the other Parties; notwithstanding the above, Norasia may assign its rights or delegate its duties under this Agreement to a fully owned subsidiary or parent company. In the event of such assignment, Norasia shall remain responsible to this Agreement for the due and punctual performance of all of its obligations hereunder.

ARTICLE 11: APPLICABLE LAW AND ARBITRATION

(a) This Agreement shall be governed by, construed and interpreted in accordance with New York law, except to the extent that any provision is subject to mandatory application of the

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Shipping Act of 1984, as amended, or subject to the general maritime law.

(b) Any and all differences and disputes of whatsoever nature arising out of this Agreement which cannot be resolved amicably shall be put to arbitration in the City of New York pursuant to the Rules of the Society of Maritime Arbitrators, Inc., New York ("SMA") before a panel of three arbitrators, unless the Parties to the arbitration otherwise agree. The decision of any two of the three arbitrators on any point or points shall be final and binding.

(c) Unless the Parties to the arbitration otherwise agree, the arbitrators shall be appointed as follows:

(i) If there are but two Parties to the arbitration, each Party shall appoint one arbitrator and the two arbitrators so chosen shall appoint a third arbitrator. If the two arbitrators fail to agree on the appointment of a third arbitrator, either Party may apply to a court of competent jurisdiction to appoint the third arbitrator.

(ii) If there are more than two Parties to the arbitration, the complaining Party or Parties shall submit a written request, in which the Party or Parties complained against shall be given the opportunity to join, to the President of SMA for a list of arbitrators, the number of which shall be three times the number of Parties to the arbitration plus an additional three, and all of which shall be former or current officers or directors of SMA. Upon receipt of such list, the parties to the arbitration shall confer and, acting in alphabetical order, shall seriatim strike one arbitrator from the list until there remain only three arbitrators, who shall arbitrate the dispute.

(d) Until such time as the arbitrators finally close the hearings any Party shall have the right by written notice served on the arbitrators and on the other Party(ies) to specify further disputes or differences under this Agreement for hearing and determination.

(e) The arbitrators may grant any relief which they, or a majority of them, deem just and equitable and within the scope of the Agreement, including but not limited to, specific performance. Awards pursuant to this Agreement may include costs, including a reasonable allowance for attorneys fees, but shall not include exemplary or punitive damages. Judgment may be entered upon any award made hereunder in any court having jurisdiction in the premises.

(f) Notwithstanding anything to the contrary in the Agreement or in law, any Party shall have the right to apply to any Court of competent jurisdiction to obtain any pre-judgment remedy to which it may be entitled against another.

ARTICLE 12: COUNTERPARTS

This Agreement and any future amendments hereto may be executed in counterparts. Each such counterpart shall be deemed an original, and all together shall constitute one and the same agreement.

ARTICLE 13: SEPARATE IDENTITY

Each Party shall retain its separate identity and shall have separate sales, pricing and to the extent applicable, separate marketing function. Each Party shall issue its own bills of lading.

ARTICLE 14: NO AGENCY OR PARTNERSHIP

This Agreement does not create and shall not be interpreted as creating any partnership, joint venture or agency relationship between the Parties, or any joint liability under the law of any jurisdiction.

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ARTICLE 15: NOTICES

All notices required to be given in writing, unless otherwise specifically agreed, shall be sent by registered mail or courier services to the following addresses, or to such other address as any Party may advise from time to time:

1. NORASIA CONTAINER LINES LIMITED
C/O N.L. Shipping Services S.A.
10 Avenue Beauregard, Ch-1701 Fribourg, Switzerland

2. GOLD STAR LINE LTD.
138 Gloucester Road
14/f Allied Kajima Bldg.
G.P.O. 11716
Wanchay, Hong Kong

ARTICLE 16: LANGUAGE

This Agreement and all notices, communications or other writings made in connection therewith shall be in the English language. No Party shall have any obligation to translate such matter into any other language and the wording and meaning of any such matters in the English language shall govern and control.

ARTICLE 17: SEVERABILITY

If any provision of this Agreement, as presently stated or later amended is held to be invalid, illegal or unenforceable in any jurisdiction in which this Agreement is operational then this Agreement shall be invalid only to the extent of such invalidity, illegality or unenforceability and no further. All remaining provisions hereof shall remain binding and enforceable.

ARTICLE 18: WAIVER

No delay or failure on the part of any Party hereto in exercising any right, power or privilege under this Agreement, or under any other documents furnished in connection with or pursuant to this Agreement shall impair any such right, power or privilege or be construed as a waiver or any default or acquiescence therein. No single or partial exercise of any such right, power or privilege shall preclude the further exercise of such right, power or privilege, or the exercise of any right, power or privilege. No waiver shall be valid against any Party hereto unless made in writing and signed by the Party against whom enforcement of such waiver is sought and then only to the extent expressly specified therein.

ARTICLE 19: AMENDMENT

Any modification or amendment of this Agreement must be in writing and signed by all Parties.

<u>Signature</u>

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers or agents as of this 16th day of December, 2003.

Norasia Container Lines Limited

By: Walter H Lion
Walter H. Lion
Attorney

Gold Star Line Ltd.

By: ______________________
Wayne Rohde
Attorney

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